GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1038
ANSWERED ON:28.11.2006
REVISION IN INDUSTRIAL POLICY
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government proposes to revise the existing industrial policy in view of the achievements made in the industrial sector since the inception of structural reforms, especially on the unemployment and regional imbalances;

(b) if so, the details thereof and the progress made so far in this regard;

(c) if not, the reasons therefor;

(d) whether the Ministry has identified any industrially backward areas in country particularly in the State of Andhra Pradesh;

(e) if so, the details thereof, State-wise;

(f) details of special schemes being implemented by the Government for providing fiscal concessions, to improve the industrial infrastructure and to create conducive climate for setting up of industry and flow of Foreign Direct Investment in the country particularly in Andhra Pradesh;

(g) the details of big industries established in the country during the last three years, State-wise; and

(h) the steps being taken by the Government to establish big industries in the country particularly in the State of Punjab?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a) to (c): No Sir. The extant Industrial Policy is liberal and investor friendly which allows entrepreneurs to take investment decisions based on techno-economic considerations.

(d) & (e): The Ministry of Finance, Department of Revenue has notified, for the purposes of income tax exemption, a list of industrially backward districts in the country, under the Income Tax Act. A copy of the notification listing industrially backward districts, including those in Andhra-Pradesh, is at Annexure-1.

(f) & (g): Under the liberalised economic environment, investment decisions are taken by entrepreneurs based on techno-economic considerations which in turn depend on the initiatives of the State Governments in creating conducive environment by way of providing infrastructure facilities and other incentives. Central Government supplements their efforts to the extent possible. Department of Industrial Policy & Promotion is implementing the Growth Centre Scheme (GCS), Industrial Infrastructure Upgradation Scheme (IIUS), North-East Industrial Policy Package, Special Category States Package and Industrial Parks Scheme in this regard to promote industrial development. For the State of Andhra Pradesh 2 projects under the IIUS and 4 Growth Centres under the GCS have been sanctioned. Statements of the number of Industrial Entrepreneur Memoranda (IEM) filed in the delicensed sector and Letters of Intent / Direct Industrial Licences issued in the licensable sector indicating State wise proposed investments and Foreign Direct Investment (FDI) inflows received respectively during the last 3 years and the current year are at Annexure- 2 and 3.

(h): Under the existing Industrial Policy investment decisions are taken by the entrepreneurs based on techno-economic considerations, which in turn depend on the initiatives of the State Government in creating conducive environment by way of providing infrastructural facilities and other incentives. The Central Government supplements their efforts to the extent possible. This policy is applicable for the entire country, including the State of Punjab.